

Steps for Developing a State Short-time Compensation Program

Fall 2020

Table of Contents

[Introduction 2](#_Toc52275567)

[Step 1: Assess Feasibility 3](#_Toc52275568)

[Gather Labor Market Information 3](#_Toc52275569)

[Identify a Champion 3](#_Toc52275570)

[Consider a State Task Force to Oversee the Process and Implementation 3](#_Toc52275571)

[Identify and Engage Partners 3](#_Toc52275572)

[Use Other State Programs as Models 5](#_Toc52275573)

[Consider Operational Questions Prior to Implementing your STC Program 5](#_Toc52275574)

[Step 2: Enact Legislation 5](#_Toc52275575)

[Step 3: Develop Operational Policies, Processes, and Forms 6](#_Toc52275576)

[Policies and Procedures 6](#_Toc52275577)

[Automate Processes 7](#_Toc52275578)

[Partner MOU 7](#_Toc52275579)

[Forms and Instructions 7](#_Toc52275580)

[Step 4: Create Outreach and Communications Plan and Related Outreach Materials 8](#_Toc52275581)

[Identify Your Audiences 8](#_Toc52275582)

[Develop an Outreach and Communication Plan 9](#_Toc52275583)

[Other Communication and Outreach Tips 10](#_Toc52275584)

[Step 5: Develop and Deliver Training 11](#_Toc52275585)

[Training STC Staff 11](#_Toc52275586)

[Training Partner Staff 11](#_Toc52275587)

[Ongoing Training 12](#_Toc52275588)

[Step 6: Implement the STC Program 12](#_Toc52275589)

[Step 7: Program Evaluation, Reporting, and Continuous Improvement 12](#_Toc52275590)

[Program Evaluation 12](#_Toc52275591)

[Reporting 13](#_Toc52275592)

[Continuous Improvement 13](#_Toc52275593)

### Introduction

#### About Short-Time Compensation (STC)

The STC program, also known as Work-Sharing or Shared Work, is an alternative to layoffs for employers experiencing a reduction in available work. STC preserves employees’ jobs and employers’ trained workforces during times of lowered economic activity. STC allows employers to reduce hours of work for employees rather than laying-off some employees while others continue to work full time. Those employees experiencing a reduction in hours can collect a percentage of their unemployment compensation (UC) benefits to replace a portion of their lost wages. STC cushions the adverse effect of the reduction in business activity on workers by averting layoffs and ensures that these workers will be available to resume prior employment levels when business demand increases.

#### About this Toolkit

This toolkit is designed for states that do not yet have STC programs established in law, those who are implementing a newly enacted law, or those who wish to strengthen the administration of their programs. It identifies 7 steps states undertake to successfully establish, implement, and administer programs, and identifies information, tools, and resources available to support states at each step of the process. The seven steps are identified below.

* [Step 1: Assess Feasibility](#_Toc52275568) and Build Stakeholder Support
* [Step 2: Enact Legislation](#_Toc52275575)
* [Step 3: Develop Operational Policies, Processes, and Forms](#_Toc52275576)
* [Step 4: Create Outreach and Communications Plan and Related Outreach Materials](#_Toc52275581)
* [Step 5: Develop and Deliver Training](#_Toc52275585)
* [Step 6: Implement the STC Program](#_Toc52275589)
* [Step 7: Program Evaluation, Reporting, and Continuous Improvement](#_Toc52275590)

The resources it points to were developed by US DOL to support increased use of the STC program.

Currently, 27 states have STC programs established in law with 26 having operational programs (Arizona, Arkansas, California, Colorado, Connecticut, Florida, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Texas, Vermont, Washington, and Wisconsin).

### Step 1: Assess Feasibility and Build Stakeholder Support

The motivation to consider a state STC program may arise from many factors and could be driven by:

* Difficult economic conditions identified through labor market information.
* Employers or employer advocacy groups that wish to utilize STC.
* Labor unions or other employee advocacy groups that are concerned with the welfare of employees.
* Leaders in the state legislature, executive branch, or within the state UI agency who recognize the advantages of the program for their state.

For a state that does not currently have a STC program but is considering the steps required to put one in place, it is important to assess the support of the governor and state legislature, as well as organizational support. See the resource page [STC 101](https://stc.workforcegps.org/resources/2020/11/29/22/01/STC_101) for more information and resources for support during this step.

#### Gather Labor Market Information

Consulting the Bureau of Labor Statistics (BLS) [Mass Layoff Statistics](http://www.bls.gov/mls/) and [Economy-at-a-Glance](http://www.bls.gov/eag/home.htm) data, and other industry-specific layoff data available from your state’s Labor Market Information (LMI) agency is a great place to start. If you have not done so already, review recent trends showing numbers of layoffs within specific industries. This step may help you target your outreach by identifying specific industries and businesses/employers who are experiencing economic challenges.

#### Identify a Champion

Creating conforming STC legislation often entails finding a champion(s) or leader(s) to get STC legislation introduced and passed. One or more state agency or department heads, legislators, committee chairs, labor or business leaders may be the appropriate person(s) to lead the charge.

#### Consider a State Task Force to Oversee the Process and Implementation

Your state’s UI agency may also want to create a task force to survey customers and stakeholders and gain their support for implementation of the program. This task force could remain intact long-term and continue to direct the implementation of the state’s STC program.

#### Identify and Engage Partners

Partners are critical to the success of an STC program. They may serve on your task force, be a champion and/or be involved in the implementation and administration of the program over time.

The following chart identifies potential partners.

| Partners | Potential Roles |
| --- | --- |
| Governor and state legislature | * Promote program.
* Publicly discuss STC as a business strategy, layoff aversion strategy, and an economic development tool.
* Disseminate program information among constituents.
* Support the passage of legislation and subsequent modifications to statute.
* Influence state STC policies.
 |
| Business advocacy groups, including:* State and local economic development organizations
* State human resource organizations
* Industry and industry sector councils and organizations
* Chambers of Commerce
 | * Promote program.
* Embrace the use of STC as a business strategy during economic downturns.
* Disseminate program information among membership.
 |
| Advisory council (consists of employers who represent the interests of business, and worker representatives) | * Advise the state in the development and operations of the STC program.
* Provide feedback about the effectiveness of STC policies and procedures.
 |
| STC Staff | * Provide guidance to impacted employers and employees.
* Serve as a single point of contact for employers and partners.
* Address concerns and solve issues that employers may present. Promote the STC program at every opportunity.
 |
| State and Local Workforce Investment Boards | * Publicize and promote the program among state and local area employers.
* Use STC data to target services to employers and employees.
 |
| American Job Center Staff*(One-Stop Staff)* | * Promote the program.
* Provide information to employers and employees.
* Collaborate with STC staff regarding how to appropriately represent the program at business and job fairs.
 |
| UC Field Service Representatives | * Promote the program.
* Provide program information to employers.
 |
| Business Services Unit/Team | * Develop and implement employer outreach strategies.
* Promote STC as a viable alternative to staff layoffs.
* Collaborate with STC staff regarding how to appropriately represent the program at business and job fairs.
 |
| State Rapid Response Team | * Serve as key point of contact for businesses that are considering layoffs.
* Offer STC as a potential layoff aversion strategy.
* Collaborate with STC staff regarding how to appropriately represent the program at business and job fairs.
* Serve as points-of-contact at business, job fairs, and related events.
 |
| Unions and other employee advocacy groups | * Promote program.
* Embrace STC as a viable alternative to staff layoffs.
* Disseminate program information among membership.
 |

#### Use Other State Programs as Models

Before your state embarks on the planning and implementation of an STC program, reach out to other states to understand the practices and strategies that worked best for them as they planned and implemented their own STC programs. You may want to review the resources on the [Implementing and/or Administering a state STC program](https://stc.workforcegps.org/resources/2020/11/29/22/01/ImplementSTC) resource page. For information on how to contact other state STC staff visit the [State STC Websites](https://stc.workforcegps.org/resources/2020/11/29/22/03/StateWebsites) resource page.

#### Consider Operational Questions Prior to Implementing your STC Program

These questions might include:

* Where in your state agency’s organizational structure will the STC unit be located? Since claims for STC benefits may, in general, follow the procedures for regular UC, it is likely STC will become a specialized unit of the benefits operation.
* What can the state afford in terms of staffing, training, and promoting the STC program?
* How will STC staff be trained?
* What aspects of the program can the state’s IT capability support?
* Has your state committed the staff and other resources required for the STC program to be implemented, refined, and brought to scale within projected timeframes and meet the expectations of the governor, legislature, and agency executives?

### Step 2: Enact Legislation

The backbone of any state STC program is the state legislation upon which it is based. The STC section(s) of the state’s UI law will establish the parameters of the STC program. There are several resources available to help states draft the provisions of their STC laws.

[**UIPL 22-12**](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=9382)provides an overview of Short-Time Compensation/ “workshare” in the Middle Class Tax Relief and Job Creation Act and provides guidance about the definition of Short-Time Compensation in Federal unemployment compensation law.

[**UIPL 22-12, Change 1**](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5754)**,** [**Attachment 1**](http://wdr.doleta.gov/directives/attach/UIPL/UIPL_22_12_Chg1_Att1.pdf) provides model legislative language and commentary. See also the [Model Legislation Fact Sheet](https://stc.workforcegps.org/resources/2020/12/17/19/10/STC_Model_Legislation).  When drafting the provisions of state STC law, it is important to review [UIPL No. 22-12, Change 1](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5754) and use the model legislation in Attachment 1 as the basis for the state’s STC law.

[**UIPL 22-12, Change 2**](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7832) informs states of additional provisions approved for Short-Time Compensation laws.

While the state’s STC law must be consistent with the federal definition of STC, as states enact their own conforming STC legislation there remain areas where states have flexibility to implement elements of the program tailored to meet their own particular needs. The Department’s guidance provides that states may need to change provisions of the model legislation to meet their own statutory formats and requirements. For additional information see [UIPL No. 22-12, Change 1](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5754).

While the Department does not provide model legislative language for some optional provisions, it does give examples of state laws containing these provisions. Additionally, a state wishing to add these provisions may request individual technical assistance from the Department or consult with other states that have such provisions in their STC laws before adding them to their own new state STC laws. See [UIPL 22-12, Change 1, Attachment 1 (Section K. Optional Provisions](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5754)) and [UIPL 22-12, Change 2](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7832)

As you draft the legislation for your STC program, it is important to think about flexibilities that you may want to build into your state law, as this can significantly impact employer participation and satisfaction with the program. Important flexibilities to consider include:

* Providing up to 52 weeks of participation for employers in the STC plan.
* Offering the ability for a plan to include non-consecutive weeks (i.e. weeks out of sequence). This allows the employer to respond to business demand by utilizing STC for the weeks when a reduction of hours occur, and not for weeks of full employment of workers in the affected unit.
* Allowing employers to enter new plans once they have successfully completed an STC plan.
* Permitting a smaller minimum number of employees per unit which can allow participation by small employers. (Federal law requires that the affected unit must include at least two employees.)
* Permitting plan modifications as warranted by fluctuations in business demand.

### Step 3: Develop Operational Policies, Processes, and Forms

The choices a state makes about operational policies, processes, and forms significantly impact the quality of experience employers and employees have with the program.

For a checklist of activities in this step and a tool to support your assessment of progress against key indicators, see the [STC Quick Start Action Planner (QSAP)](https://stc.workforcegps.org/resources/2020/12/17/19/12/STC_QSAP) section on Operational Policies, Procedures, and Forms.

#### Policies and Procedures

When developing a STC program, operational policies and procedures must be developed in the following areas:

* Claimant eligibility
* Employer eligibility
* Worker application
* Employer application
* Initial and continued claims-taking and processing
* Monitoring to ensure prompt and proper payments
* Employer appeals, including a process to approve/disapprove, modify and revoke (if necessary) employer plans
* Required reporting in accordance with USDOL’s guidance
* How the state will gauge the effectiveness of its STC program, the data that need to be gathered, who will evaluate the data, and how frequently.

#### Automate Processes

Many states are currently managing all processes associated with their STC programs manually. As a result, employers must complete paper applications and forms, and STC staff must manually enter this information into their databases. To the extent possible, automate and streamline these processes:

* Integrate all STC processes into the state’s computer system. These processes may include filing claims, reporting hours, and submitting benefit payments. Automating these processes saves time, demands fewer staff hours, helps ensure timely payments to employees, and prevents documentation errors.
* When developing automated processes, ensure that IT personnel understand the STC program and all activities that relate to documentation necessary for administering the STC program.
* Coordinate STC benefit payments with the payment system for unemployment compensation.
* Soft-launch automated systems prior to going live.

#### Partner MOU

We recommend that you negotiate and execute a written agreement or Memorandum of Understanding (MOU) with participating partners (i.e., Rapid Response Teams, Business Service Representatives, and/or American Job Centers (One-Stop Career Centers). Consider including the following in your written agreement/MOU:

* Names of all parties to the agreement,
* A brief description of the collaboration process jointly developed,
* Identification of those partners/agencies that will provide the specific services,
* Description(s) of how feedback will be provided, and
* Description(s) of the role of the service provider(s).

#### Forms and Instructions

The [State STC Tools and Resources](https://stc.workforcegps.org/resources/2020/11/29/22/02/StateToolsResources) page provides links to examples of application forms, fact sheets, outreach materials, processes, and other program information developed by states that have implemented STC programs.

As your state develops materials to operate its STC program, here are some things to think about.

* **Employer Application and Instructions**
	+ Every state will need an employer application and accompanying instructions. The application requests information from the employer which is necessary to determine if the employer’s application/plan meets the STC program requirements (e.g., affected unit(s) covered by the plan, number of full- or part-time workers in the unit, percentage of workers in the affected unit covered by the plan, employees participating in the STC plan, etc.). The employer must also certify on the application certain STC program requirements (e.g., reduction of hours is in lieu of layoffs, health and retirement benefits will continue etc.).
	+ Instructions will help ensure that the employer completes the form correctly and completely so that your state has all the information needed to decide whether STC program requirements are met.
* **Employer Guide**
	+ A well-designed guide will give employers a step-by-step process for getting you the information to pay affected workers timely and accurately. Putting together a comprehensive guide will save time and resources for STC staff and employers. Information commonly found in a guide includes: defining what the STC program is, program requirements, how an employer applies, how to modify an STC plan, the approval process, and the effective date and duration of the plan, the employee UI application process, employer responsibilities, what an employer should do after the plan is approved, and the impact on the employer’s UI tax rate.
* **Employer Orientation and Training Materials**
	+ Providing orientation and training materials can assist employers in understanding what is required of them.
* **Worker Application for STC Benefits Form and Instructions**
	+ The application for STC benefits form can be adapted from your regular UI benefits application.
* **STC Continued Claim Form and Instructions**
	+ You may be able to adapt your STC continued claim form from your regular UI benefits forms, too.

### Step 4: Create Outreach and Communications Plan and Related Outreach Materials

A [recent study of STC programs](https://stc.workforcegps.org/resources/2020/12/17/19/09/STC_Research_Publications) found that employers’ lack of awareness about the program was a barrier to broader use of the STC program. Strong outreach and communication plans, as well as effective outreach materials, are a crucial component of successful programs.

For a checklist of activities in this step and a tool to support your assessment of progress against key indicators, see the [STC QSAP](https://stc.workforcegps.org/resources/2020/12/17/19/12/STC_QSAP) section on Implementing a State STC Program – including business outreach and program functions. The [State STC Tools and Resources](https://stc.workforcegps.org/resources/2020/11/29/22/02/StateToolsResources) page provides links to examples of fact sheets, outreach materials, processes, and other program information developed by states that have implemented STC programs.

#### Identify Your Audiences

As you consider developing an outreach and communications plan for the STC program, consider your multiple audiences and key messages to convey to each. Targeted outreach to businesses within affected industry sectors should be driven by the labor market analysis undertaken in the first step in this process. A few primary audiences include, but are not limited to:

* Employers need comprehensive STC information to help determine whether the program is a viable option.
* State and local partners, who will share in outreach responsibilities, need tools and resources to use when pitching the program.
* State agency leadership, the governor’s office, and other decision makers will need information about STC activities and outcomes.

#### Develop an Outreach and Communication Plan

Once you have identified your audiences, develop a list of materials and activities that you can use to communicate the STC message. Examples include:

* Website: Launch an STC presence on the state’s website prior to the start of your program. This can be either on the existing UI website or a website dedicated to STC. The STC webpage should convey complete information for employers and employees about your program. Review current state [STC State websites](https://stc.workforcegps.org/resources/2020/11/29/22/03/StateWebsites) to see what may work for your state. Important information to make available on the state STC webpage(s) includes:
	+ A “Getting Started” packet for employers with forms and instructions for completing the employer application, the forms and instructions for reporting STC hours worked and wages earned by employees, and other required reporting elements in the affected unit.
	+ Tools to assist participating employers with administration of their plans.
	+ Consider adding STC to layoff aversion and rapid response information on the state website – this could be near that information as a layoff aversion strategy and business/employers might want to review as an option prior to a WARN – could be a link to the STC information or the Rapid Response team could make employers aware of the STC program.
	+ A claimant packet for employees that describes what they can expect and their responsibilities. This material might include a flowchart of next steps, instructions for filing claims and completing forms, a chart or other graphic to display STC payment calculations, and answers to frequently asked questions.
	+ Access to training opportunities and materials for employer representatives. For example, some states conduct live, virtual training sessions with employers twice every week.
* Social media. States are using tools such as Facebook and Twitter to promote STC.
* Direct mail campaigns. Consider integrating STC materials into quarterly Unemployment Insurance tax mailings or other direct mail sent to employers.
* Print and TV media. Use the media to promote STC. Issue press releases on a regular basis and make key STC personnel available for interviews. Also, identify employers who are willing to speak with the press about their STC experience.
* Agency and partner communication vehicles such as newsletters, meetings, and presentations.

#### Other Communication and Outreach Tips

Here are a few additional tips for effective outreach and communication:

* Ensure that your information is comprehensive, clear, and can effectively guide employers through STC processes from start to finish. Details include:
	+ Program requirements
	+ STC process
	+ Employer responsibilities
	+ Employee responsibilities
	+ Key point(s) of contact
	+ Links to your state website for additional program information
* As you consider what information to include in your outreach, anticipate employer concerns. Reinforce the value of STC while addressing any hesitancy employers might have about participating in the program. Concerns that states have heard from employers include:
	+ “What’s the catch?” (Potential state response: There is no catch! The program benefits both employers and employees.)
	+ “Is there a lot of red-tape and hoops to jump through?” (Potential state response: The program is simple. There is not a lot of red-tape or hoops to jump through.)
	+ “The status of our company is a private matter. Will our participation be kept confidential?” (Potential state response: STC participation will be kept confidential -- employers do not need to be concerned about this issue.)
* Review economic and labor market information to understand regional and state industry trends and tap into the insights and knowledge of your state and local economic development and rapid response partners to identify the industries that might most benefit from the STC program. You’ll then be able direct program promotion to specific industry sectors known to participate in state STC programs (nearly all of the states identified manufacturing as a top user of the STC program) and you can introduce your program to industries that have not previously used STC (for example, states said that they work with doctors’ offices, real estate companies, retail operations, and architecture firms).
* Collaborate with the governor’s office and the Unemployment Insurance agency communications office. Keep these entities in the communication loop so they can pitch the STC program to the press, employer groups, and other relevant audiences. Send the governor’s office data and other evidence of the success and positive outcomes of the program.
* Use positive feedback from STC participants when promoting your program. States acknowledged that sharing feedback from satisfied STC participants is an effective strategy for encouraging employers to give the program a try. You can use survey results and testimonials from participants to promote the program.
* Engage your task force and partners in the creation of outreach materials, and work with each to fully integrate them into each organization’s own outreach. The collective reach of all partners is significantly more than the reach of the STC program acting alone!

### Step 5: Develop and Deliver Training

Quality STC program implementation and administration requires well trained partners and staff. For a checklist of activities in this step and a tool to support your assessment of progress against key indicators, see the STC Quick Start Action Planner (QSAP) section on Staff Capacity and Training.

#### Training STC Staff

Staff in STC units will need to know your STC operations thoroughly. A short orientation may get them started, but a well-considered curriculum and specific training session(s) will provide continued success. At a minimum, training should include:

* The overall value of the STC program
* The STC process (and the value it plays within the broader UI framework)
* Program requirements
* Responsibilities of the employers and workers
* The benefits for employers and workers participating in STC, including the potential impact that participation in the STC program might have on employers, such as effect on the employer’s UI tax rate
* Instructions for completing applications and weekly certification forms
* Specific operational strategies that target unique employer situations
* Changes to state laws or policies
* Strategies for effective communication and relationship building with employers

#### Training Partner Staff

STC staff can adapt and deliver training for partner agencies, which will solidify learning about the program and develop important relationships with those partner agency staff.

#### Ongoing Training

New STC and partner staff should receive this comprehensive training when hired (or moved into the unit) and refresher/updated training in regular intervals going forward.

### Step 6: Implement the STC Program

For a checklist of activities in this step and a tool to support your assessment of progress against key indicators, see the [STC QSAP](https://stc.workforcegps.org/resources/2020/12/17/19/12/STC_QSAP) section on Implementing a State STC Program. Here are a few of the major activities you should plan for as you implement and operate your program:

* Announce implementation of the STC Program to the employer community and the public,
* Carry out your STC program business outreach plan,
* Implement the following functions in accordance with its policies and procedures:
	+ Determining employer and claimant eligibility for STC,
	+ Processing initial and continued claims,
	+ Reviewing, approving, or denying employer STC plan applications,
	+ Administering STC plans with employers,
	+ Processing employer appeals and making determinations,
	+ Monitoring payments,
	+ Reporting STC activities to the USDOL as required (and to state leadership and other stakeholders), and,
	+ Using performance data and customer feedback to improve your STC program.

Please see the [STC Guidance and Model Legislation resource page](https://stc.workforcegps.org/resources/2020/12/17/19/10/STC_Model_Legislation) for complete requirements and instructions related to operating STC programs.

### Step 7: Program Evaluation, Reporting, and Continuous Improvement

For a checklist of activities in this step and a tool to support your assessment of progress against key indicators, see the [STC QSAP](https://stc.workforcegps.org/resources/2020/12/17/19/12/STC_QSAP) sections on STC Reporting, Evaluation, and Continuous Improvement.

#### Program Evaluation

Program data is gathered by many states and used to evaluate program interest, effectiveness, and costs. In order to evaluate your STC program, you will need to determine:

* The data points to be measured.
* How the data will be gathered?
* Who will evaluate the data?
* How often data will be provided and evaluated?

In addition to the data required by the US Department of Labor, there will most likely be other indicators of STC progress and/or success which are important to the stakeholders in your STC program. For example, you might consider measuring:

* Cycle time on reviewing and approving/disapproving employer STC applications
* Impact in target industries (number of employers engaged, number of layoffs averted, etc.)
* Customer satisfaction levels (both employer and employee) measured through:
	+ Online surveys (using tools such as Survey Monkey)
	+ Phone interviews
	+ Email
	+ Downloadable surveys housed on the state’s STC website
	+ Mail-in surveys
* Progress against any specific goals to which your agency and/or your partner agencies have committed.

#### Reporting

States operating an STC program report STC activities to the US Department of Labor. Instructions for all STC required reports can be found in [Employment and Training Handbook No. 401](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7774), including specific line-by-line-reporting instructions for the reports listed below. State reporting for STC includes the following:

* Monthly reporting of claims and payments activities on the work-share specific form, ETA 5159, claims and payment activities (Note: an additional cell is now included for the number of participating employers).
* Weekly reporting of initial and continuing claims, as well as equivalents, on the form ETA 539, advance weekly initial and continued claims.
* Monthly reporting of time lapse for first payments on the work-share specific form, ETA 9050, First Payment Time Lapse.
* Monthly reporting of time lapse for continued weeks on the work-share specific form, ETA 9051, Continued Weeks Compensated Time Lapse.
* Monthly reporting of UI financial transactions on the form ETA 2112, UI Financial Transaction Summary Report, and STC benefits paid using regular state UTF monies are reported on line 31.

#### Continuous Improvement

States use employer feedback to drive legislative and policy changes. Feedback from participating employers provides a clear indication of how well the program is working, information about evolving employer needs, and opportunities to update rules and statutes, such as:

* Improve flexibility in approved STC employer plans
* Increase the number of weeks during which STC benefits can be paid
* Reduce the minimum number of employees per unit to qualify for STC benefits (Federal law requires that the affected unit must include at least two employees.)

Data gathered through program evaluation can also identify opportunities to streamline internal processes, improve partner and stakeholder communication, and identify gaps in program administration.

States also use program data to:

* Provide documentation to demonstrate and validate program accomplishments. States provide program information regarding business participation to State and Local Workforce Investment Boards (WIB) and to organizations representing business such as local Chambers of Commerce.
* Keep key stakeholders informed through tailored evaluation results and data. States tailor program evaluation results and data to the unique interests of certain stakeholders.
* Develop training and layoff aversion strategies. Some Workforce Investment Boards and American Job Centers (previously called One-Stop Career Centers) utilize STC data, such as the number and type of STC participating employers, number of layoffs averted, and the number of jobs saved to help them develop staff training and layoff aversion strategies.